

APPENDIX 1

AFFORDABILITY REQUIREMENTS

(Effective January 1, 2016 – Proposed*)

Maximum Program Rents:

Unit Size	Maximum Rent Standard*	Utility Allowance***	Maximum Rent to Tenant
Efficiency/Studio Units	639	81	558
One Bedroom Units	722	86	636
Two Bedroom Units	890	106	784
Three Bedroom Units	1,165	125	1,040
Four Bedroom Units	1,477	145	1,332

Maximum Program Rents for Special Terms (60% AMI and below):

Unit Size	Rent Standards for Special Terms**	Utility Allowance ***	Maximum Rent to Tenant
Efficiency/Studio Units	588	81	507
One Bedroom Units	630	86	544
Two Bedroom Units	756	106	650
Three Bedroom Units	872	125	747
Four Bedroom Units	973	145	828

* Maximum program rents will be indexed to the Housing Authority of the City of Asheville Voucher Payment Standards, updated annually in January. **The rents above are based on the 2016 proposed standards. Rent standards will be finalized in January, and all projects receiving Housing Trust Funds must reflect the final standards.** This appendix, and our website, will have the final rent standards when they become available.

Monthly rents charged to the tenant are inclusive of utilities. The maximum rent charged cannot exceed the "maximum rent standard" less the average utility allowance. All tenants must earn less than 80% of the Area Median Income, adjusted for household size.

**Maximum program rents *for special terms* will be indexed to the 60% HOME rent limit, which are published annually, typically in November. Monthly rents charged to the tenant are inclusive of utilities. The maximum rent charged cannot exceed the rent standards for special terms "less the average utilities allowance. All tenants must earn less than 60% of the Area Median Income, adjusted for household size.

***The utility allowance is based on the average fees and costs in Asheville for multifamily units. These estimates are currently updated annually in January for the Housing Authority of the City of Asheville. The allowance above assumes natural gas for both cooking and heating, and also includes standard monthly fees for water, sewer, and trash collection. **Please adjust the current utility allowances to fit your particular project. Current average utility allowances, provided by HUD, are found in Appendix 8.** Owners/developers are welcome to submit actual expense reports to the City following 12 months of occupancy. If actual documented utility costs are lower, an adjustment to tenant rents may be granted at the City's discretion.

Income limits

Household Size	100% of median income	80% of median income	60% of median income
1	39,200	31,360	23,520
2	44,800	35,840	26,880
3	50,400	40,320	30,240
4	55,900	44,720	33,540
5	60,400	48,320	36,240
6	64,900	51,920	38,940

Notes

1. Homes built for sale must be sold to buyers earning less than 100% of the area median income adjusted for household size, and whose total housing obligation (principal and interest repayments, taxes, insurance, and mortgage insurance) does not exceed 30% of the buyer's household income.
2. Homes built for rent, must have rents at or below **the Maximum HTF Rent to Tenant listed above**, and the first tenants must have income below **80% of median income**.
3. To be eligible for a HTF loan at the most favorable terms (0% interest or interest-only at 2% with principal deferred); rental units must be restricted to tenants with household income below **60% of median income** and rented at or below the **Maximum Program Rent for Special Terms** listed above.
4. Income limits and rents will be reviewed annually on January 1st.
5. Please note that setting sales prices or rents very close to the maximum allowed will limit your market of eligible buyers or tenants. It is your responsibility to assess market demand for your units.
6. The affordable units may not be sold or rented to relatives or business associates of the developer.
7. **Failure to comply with affordability requirements will cause the interest rate on the HTF loan to be accelerated and made retroactive to the date of loan disbursement.**